



Corporate Announcement

Date: October 10, 2023

Sub.: Rating action by CARE Ratings. Buyback of CARE rated bonds

Ref: Long-term rating revised by CARE Ratings to "CARE AA-" with Stable outlook

This is with reference to the communication Indiabulls Housing Finance Limited ["Company"] received from the rating agency CARE Ratings on October 9, 2023. The rating committee of CARE Ratings has revised the long-term rating of Indiabulls Housing Finance Limited to "CARE AA-" with Stable outlook. The rating for Perpetual Debt has been revised to "CARE A+" with Stable outlook. The short-term rating has been reaffirmed at "CARE A1+".

The Company strongly disagrees with the adverse rating action taken by CARE Ratings. The main pillars of the Company's strategy of building prospective business under an asset light model, de-risking and running down of on-balance sheet borrowings, have been cast as negatives with a preference indicated for on-balance sheet lending. The Company's improved capital position, vastly reduced debt repayment burden, low gearing, very high liquidity coverage ratio, stable asset quality, and positive ALM going ahead – factors that are of most relevance to debt investors, the primary constituency of ratings – do not seem to have been taken into consideration in the rating decision.

Yesterday, the Company offered to buyback bonds maturing up to March 2024. The Asset Liability Management Committee [ALCO] of the Company, considering the strong liquidity position, has decided to extend this offer to debenture holder(s) holding bonds across tenures, which are rated by CARE Ratings and not rated by CRISIL or ICRA. Just last month, CRISIL reaffirmed the Company's rating at "CRISIL AA/Stable" on September 21, 2023, and ICRA revalidated the Company's rating at "ICRA AA/Stable" on September 26, 2023.

Bondholders can get in touch with Sandipan Amboli [email: sandipan.amboli@indiabulls.com] at any-time prior to October 15, 2023, in this matter.

Thanking you,

Yours truly,

For **Indiabulls Housing Finance Limited**